

## Message Text

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21

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 EB-07 COME-00 TRSE-00 CIAE-00

INR-07 NSAE-00 OMB-01 FRB-03 XMB-02 AID-05 /048 W

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R 261645Z FEB 76

FM AMEMBASSY RABAT

TO SECSTATE WASHDC 7838

INFO AMEMBASSY LONDON

AMEMBASSY PARIS

LIMITED OFFICIAL USE RABAT 1114

E.O. 11652: N/A

TAGS: OVIP BTRA EFIN MO

SUBJECT: ROUNDUP ON MOROCCO VISIT OF BANK OF AMERICAN PRESIDENT

A.W. CLAUSEN

REF: RABAT 0873 (NOTAL)

1. BEGIN SUMMARY: FIRST VISIT BY B OF A PRESIDENT CLAUSEN TO NORTH AFRICA RECEIVED RED CARPET TREATMENT FROM GOM. CALL ON PM CARRIED ON NATIONAL TV AND FRONT-PAGED IN LE MATIN. CLAUSEN PARTY LEFT MOROCCO CONVINCED OF COUNTRY'S POLITICAL AND ECONOMIC FUTURE AND HAVING SIGNED \$50 MILLION SHORT-TERM LOAN AGREEMENT WITH BMCE. ALSO EXPRESSED INTEREST IN TAKING \$100 MILLION PARTICIPATION IN FORTHCOMING \$300 MILLION EURO-LOAN. END SUMMARY.

2. CLAUSEN, EXEC VP RICE AND MIDDLE EAST SENIOR VP LAMARCHE BEGAN VISIT FEB 24 WITH CASABLANCA BUSINESS LUNCHEON. AFTER-NOON SPENT VISITING GENERAL TIRE AND PRESIDENT DIRECTOR-GENERAL BMCE (LARGEST MOROCCAN COMMERCIAL BANK IN WHICH B OF A SIX PER CENT SHARE-HOLDER). AMBASSADOR THEN BRIEFED FOR ALMOST AN HOUR IN RABAT RE CURRENT POLITICAL AND ECONOMIC CONDITIONS. EVENING DINNER AT RESIDENCE ATTENDED BY MINFIN, MINCOM, MIN PUBWORKS, AND FINANCE DIRECTOR CENTRAL BANK AMONG OTHERS.

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3. FEB 25 FILLED BY APPOINTMENTS WITH PM AND FINMIN AND LUNCH HOSTED BY FINMIN. CASABLANCA DINNER HONORING CLAUSEN WAS HOSTED BY HADJ ABDELMAJID BENJELLOUN OF BMCE WITH PRESIDENTS OF VIRTUALLY EVERY BANK IN COUNTRY PLUS SUB-MINISTERIAL GOVERNMENT FINANCIAL OFFICIALS AND SEVERAL OF MORE IMPORTANT ENTREPRENEURS IN ATTENDANCE.

4. AS ANTICIPATED PARA 4, REFTTEL, GOM UNHAPPINESS THAT B OF A HAD FOLDED LOCAL OFFICE TO INCREASE HOLDING IN BMCE POINTEDLY EXPRESSED. TONGUE-IN-CHEEK, FINMIN INSTRUCTED CLAUSEN TO TAKE BANKING LESSONS FROM BMCE BENJELLOUN WHO OBVIOUSLY HAD OUT-MANEUVERED HIM. IN GOOD FORM, CLAUSEN RESPONDED BY SAYING THIS WAS WHY B OF A HAD DECIDED TO "JOIN 'EM INSTEAD OF FIGHTING 'EM". BMCE DESCRIBED AS ONE OF B OF A'S BEST INVESTMENTS FOR ITS SIZE. MUCH OF CLAUSEN DINNER CONVERSATION DEVOTED TO LICKING US BANKS HAVE TAKEN IN REAL ESTATE MARKET.

5. CLAUSEN AND ASSOCIATES PLEASED WITH RESULTS OF VISIT. DESPITE TEMPORARY SAHARA UNCERTAINTIES AND CURRENT FINANCIAL STRINGENCIES, B OF A PRESIDENT CONVINCED MOROCCO HAS SOUND POLITICAL AND ECONOMIC FUTURE. AGREEMENT REACHED WITH BMCE FOR \$50 MILLION LINE SHORT TERM CREDIT TO FINANCE EQUIPMENT IMPORTS. FINMIN AND OTHERS INFORMED THAT B OF A WOULD ASSUME \$100 MILLION OF \$300 MILLION EURO-PLACEMENT IF IT AUTHORIZED TO CO-MANAGE PLACEMENT WITH UBAF (SEE PARA 4, RABAT 1008 AND PRECEDING).

6. COMMENT: AT BENJELLOUN DINNER, DIRECTOR FOREIGN EXCHANGE OFFICE INFORMED ECOUN THAT AS RESULT GOM SUCCESS IN RAISING NEEDED FINANCE, INCLUDING IMPROVED OUTLOOK FOR EURO-PLACEMENT RESULTING FROM CLAUSEN VISIT, DIRECTOR COULD FOR FIRST TIME IN SEVERAL MONTHS VIEW MOROCCO'S NEAR-TERM FINANCIAL OUTLOOK "WITH SERENITY". SIMILAR COMMENT CONVEYED BY FINMIN AT AMBASSADOR'S DINNER TUESDAY NIGHT. END COMMENT. NEUMANN

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## Message Attributes

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**Concepts:** LOAN AGREEMENTS, BANKERS, VISITS  
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**Draft Date:** 26 FEB 1976  
**Decaption Date:** 01 JAN 1960  
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**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**TAGS:** OVIP, BTRA, EFIN, MO, BANK OF AMERICA, (CLAUSEN, A W)  
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